

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2648 - HB 2873

February 9, 2012

SUMMARY OF BILL: Authorizes local education agencies (LEAs) to use the county's centralized purchasing system to provide a life insurance plan for designated school board employees.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – To the extent that LEAs choose to purchase life insurance through their county's centralized purchasing system, there may be a potential savings to the LEAs that currently offer this insurance based on the insurance rate received by the county. Any decrease in permissive local expenditures is not quantifiable. LEAs not currently offering life insurance policies may choose to purchase them. Any increase in permissive local expenditures is not quantifiable.

Assumptions:

- LEAs are currently authorized to provide life insurance for employees.
- The number of LEAs that currently offer or will choose to offer life insurance to employees as a result of this bill is unknown.
- Current or future life insurance rates applicable to a county's centralized purchasing system is unknown.
- Any increase or decrease in permissive local expenditures is not quantifiable.
- The state does not track the number of LEAs currently offering life insurance or their insurance rates.
- No change in the BEP funding formula.
- No fiscal impact on state expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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